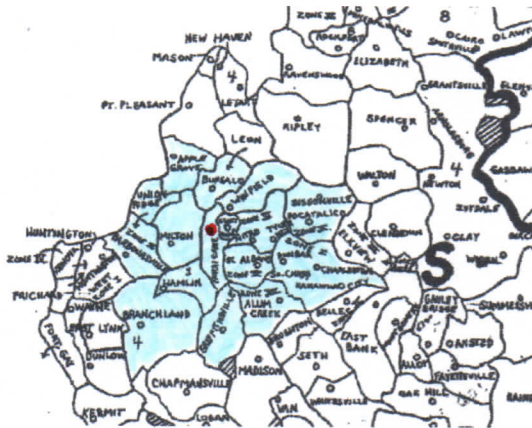
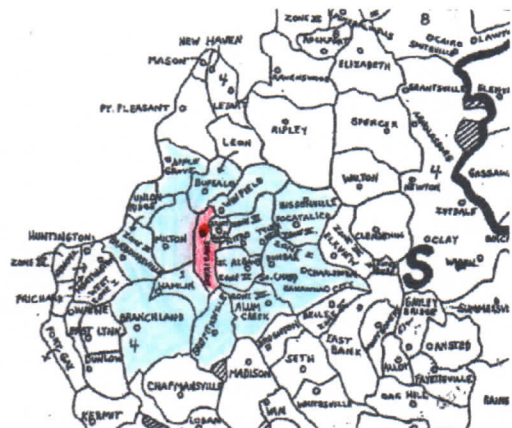


FRONTIER WEST VIRGINIA ILLUSTRATION OF WEST VIRGINIA LOCAL CALLING PLANS

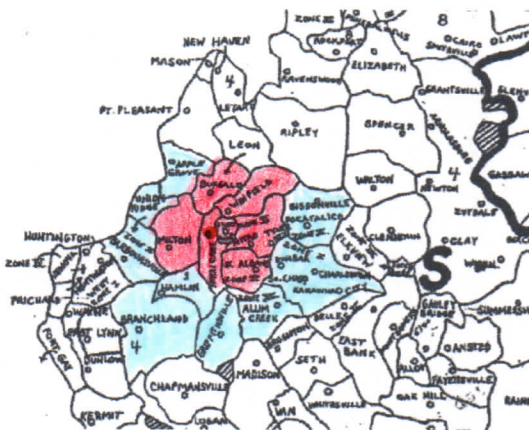
Calling Areas for the Hurricane Exchange



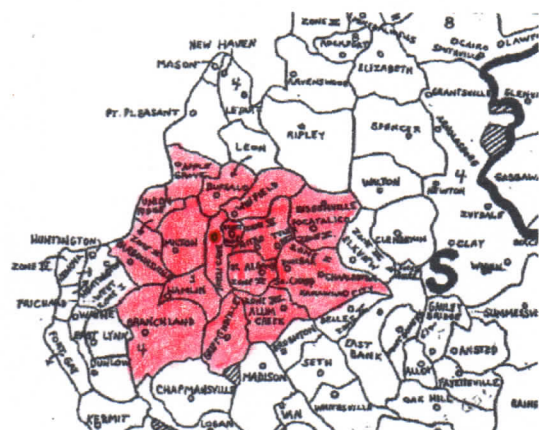
Plan 1 Thrifty Caller \$7
All calls measured



Plan 2 Community Caller \$15.50
All calls to home exchange flat-rated,
all others measured



Plan 3 Community Plus \$22
All calls to home and surrounding
exchanges flat, remainder measured



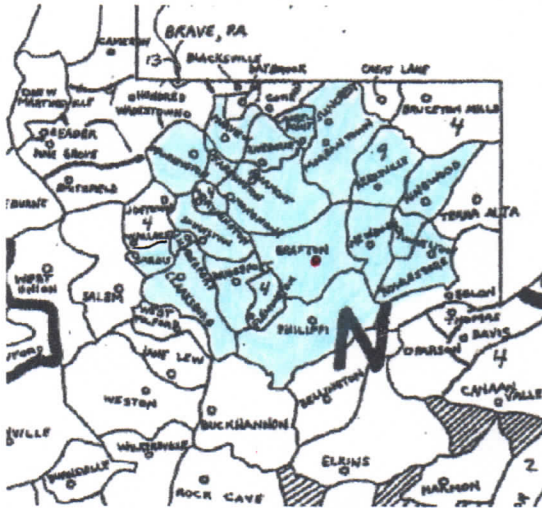
Plan 4 Frequent Caller \$29
All calls flat-rated

Red = flat-rated

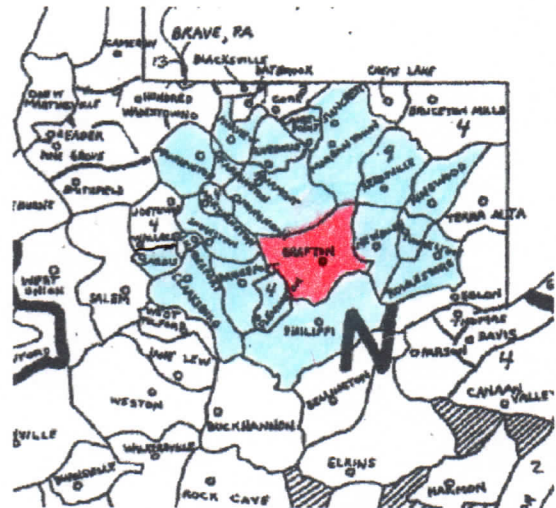
Blue = measured

FRONTIER WEST VIRGINIA ILLUSTRATION OF WEST VIRGINIA LOCAL CALLING PLANS

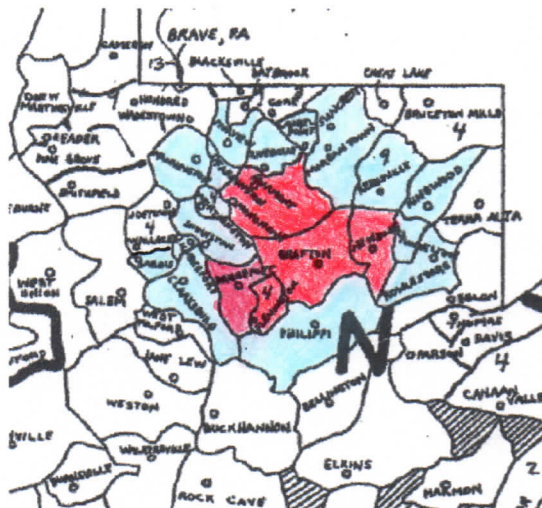
Calling Areas for the Grafton Exchange



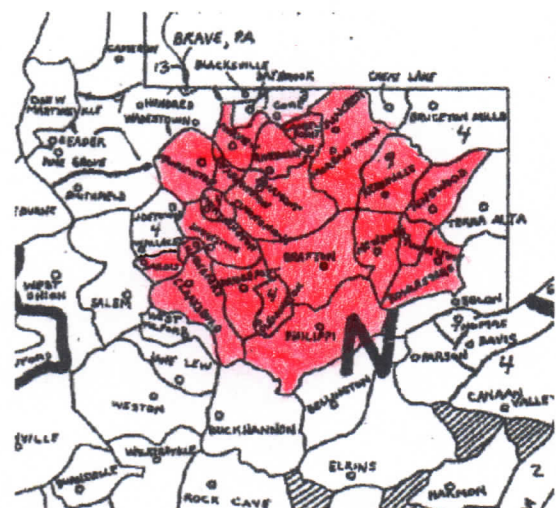
Plan 1 Thrifty Caller \$7
All calls measured



Plan 2 Community Caller \$15.50
All calls to home exchange flat-rated,
all others measured



Plan 3 Community Plus \$22
All calls to home and surrounding
exchanges flat, remainder measured



Plan 4 Frequent Caller \$29
All calls flat-rated

Red = flat-rated

Blue = measured

**PROPOSED CHANGES TO FCC RULES
ON REPORTING OF LOCAL RATES
WHEN A LEC OFFERS STATEWIDE OPTIONAL RATES**

§ 54.313 Annual reporting requirements for high-cost recipients.

(a) Any recipient of high-cost support shall provide:

* * *

(10) Beginning July 1, 2013. A letter certifying that the pricing of the company's voice services is no more than two standard deviations above the applicable national average urban rate for voice service, as specified in the most recent public notice issued by the Wireline Competition Bureau and Wireless Telecommunications Bureau.

* * *

(h) Additional voice rate data. (1) All incumbent local exchange carrier recipients of high-cost support must report all of their rates for residential local service for all portions of their service area, as well as state fees as defined pursuant to § 54.318(e) of this subpart, to the extent the sum of those rates and fees are below the rate floor as defined in § 54.318 of this subpart, and the number of lines for each rate specified. Carriers shall report lines and rates in effect as of June 1. (2) In addition to the annual filing, local exchange carriers may file updates of their rates for residential local service, as well as state fees as defined pursuant to § 54.318(e) of this subpart, on January 2 of each year. If a local exchange carrier reduces its rates and the sum of the reduced rates and state fees are below the rate floor as defined in § 54.318 of this subpart, the local exchange carrier shall file such an update. For the update, carriers shall report lines and rates in effect as of December 1.

* * *

§ 54.318 High-cost support; limitations on high-cost support.

(a) Beginning July 1, 2012, each carrier receiving high-cost support in a study area under this subpart will receive the full amount of high-cost support it otherwise would be entitled to receive if its flat rate for residential local service plus state regulated fees as defined in paragraph (e) of this section exceeds a local urban rate floor representing the national average of local urban rates plus state regulated fees under the schedule specified in paragraph (f) of this section..

(b) Carriers whose flat rate for residential local service plus state regulated fees offered for voice service are below the specified local urban rate floor under the schedule below plus state regulated fees shall have high-cost support reduced by an amount equal to the extent to which its flat rate for residential local service plus state regulated fees are below the local urban rate floor, multiplied by the number of lines for which it is receiving support.

(c) This rule will apply to rate-of-return carriers as defined in §54.5 and carriers subject to price cap regulation as that term is defined in §61.3 of this chapter.

(d) For purposes of this section, high-cost support is defined as the support available pursuant to § 36.631 of this chapter and support provided to carriers that formerly received support pursuant to § 54.309.

(e) State regulated fees.

(1) Beginning on July 1, 2012, for purposes of calculating limitations on high cost support under this section, state regulated fees shall be limited to state subscriber line charges, state

universal service fees and mandatory extended area service charges, which shall be determined as part of a local rate survey, the results of which shall be published annually.

(2) Federal subscriber line charges shall not be included in calculating limitations on high-cost support under this section.

(f) Schedule. High-cost support will be limited where the flat rate for residential local service plus state regulated fees are below the local urban rate floor representing the national average of local urban rates plus state regulated fees under the schedule specified in this paragraph. To the extent end user rates plus state regulated fees are below local urban rate floors plus state regulated fees, appropriate reductions in high-cost support will be made by the Universal Service Administrative Company.

(1) Beginning on July 1, 2012, and ending June 30, 2013, the local urban rate floor shall be \$10.

(2) Beginning on July 1, 2013, and ending June 30, 2014, the local urban rate floor shall be \$14.

(3) Beginning July 1, 2014, and thereafter, the local urban rate floor will be announced annually by the Wireline Competition Bureau.

* * *

(h) If, due to changes in local service rates, a local exchange carrier makes an updated rate filing pursuant to section 54.313(h)(2) of this subpart, the Universal Service Administrative Company will update the support reduction applied pursuant to paragraphs (b) and (f) of this section.

(i) For the purposes of this section and the reporting of rates pursuant to paragraphs 313(a) and (h) of this subpart, rates for residential local service provided pursuant to measured or message rate plans, ~~or~~ as part of a bundle of services, or pursuant to statewide optional calling plans should be calculated as follows:

(1) Rates for measured or message service shall be calculated by adding the basic rate for local service plus the additional charges incurred for measured service, using the mean number of minutes or message units for all customers subscribing to that rate plan multiplied by the applicable rate per minute or message unit. The local service rate includes additional charges for measured service only to the extent that the average number of units used by subscribers to that rate plan exceeds the number of units that are included in the plan. Where measured service plans have multiple rates for additional units, such as peak and off-peak rates, the calculation should reflect the average number of units that subscribers to the rate plan pay at each rate.

(2) For bundled service, the residential local service rate is the local service rate as tariffed, if applicable, or as itemized on end-user bills. If a carrier neither tariffs nor itemizes the local voice service rate on bills for bundled services, the local service rate is the rate of a similar stand-alone local voice service that it offers to consumers in that study area.

(3) If a carrier offers multiple, uniform local rate plans within a state, and the subscription to any particular rate plan is at the option of the customer, the carrier may report the average monthly local revenue produced by all rate plans. In calculating the average monthly local revenue, qualifying carriers should: (1) determine the sum of all revenue produced by local service monthly recurring charges and local measured service rates over the most recent annual period; (2) divide the result by the average number of residential access lines served by the carrier during the most recent annual period; and (3) divide the result by twelve, the number of months in a year.